

25X1

INFORMATION REPORT

CD NO.

25X1A

COUNTRY China

DATE DISTR. 20 OCT 50

SUBJECT Communist Acquisition of Food Stuffs for Resale
on the Macao and Hong Kong Markets

NO. OF PAGES 2

25X1 PLACE
ACQUIRED

NO. OF ENCL.
(LISTED BELOW)

DATE OF
INFO.

SUPPLEMENT TO
REPORT NO.

25X1

20
A3

THIS IS UNEVALUATED INFORMATION

25X1

THIS DOCUMENT CONTAINS INFORMATION DERIVED FROM THE NATIONAL DEFENSE
OF THE UNITED STATES WHICH IS SUBJECT TO THE REBELLION OF THE ESPIONAGE ACT OF
1917, AS AMENDED, AND AS SO AGREED, ITS TRANSMISSION OR THE REVELATION
OF ITS CONTENTS TO ANY PERSON BY AN UNAUTHORIZED PERSON IS PRO-
HIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

1. In order to get foreign exchange to buy needed materials, the Chinese Communist Foreign Trade Bureau of Kwangtung Province was selling rice on the Macao and Hong Kong markets in July and August 1950. This rice was collected as tax in kind during the summer. On 9 and 10 August the Chinese Communists shipped 7,300 bags of rice (266 lbs. per bag) to Hong Kong and sold them at HK \$80 per bag.
2. On 14 August the SS TA P'ING (大鵬) brought 3500 bags of rice from Canton to Hong Kong. This rice is now stored in the Te Ta Liang (德大良) Rice Company for retail sale. Siamese rice purchased by the Communist-operated Wan Kuang (萬光) Trading Company in Macao^{*} is also being sold by various rice retail shops in Macao at HK \$64 per bag. Sales are under the supervision of a Chinese Communist Party member, LIANG Ch'ang (梁昌).^{**}
3. According to an order issued by the Financial and Economic Committee of the Central and South China Region to the Foreign Trade Bureau of Kwangtung Province, the proceeds of these rice sales will be allocated to various reliable import merchants to buy supplies needed by the Chinese Communists.
4. The price of food stuffs in Kwangtung Province is strictly controlled by the Communists. Because of the summer harvest, prices are generally decreasing.
5. The South China branch office of the Financial and Economic Committee of the Central and South China Region issued the following directions to district governments on 20 July:
 - a. A buying program should be systematically executed under the unified command of the Provincial Food Stuff Company.
 - b. Food stuffs should be collected first in districts where the prices are lower than the official price.
 - c. In order to eliminate middlemen, district governments should purchase directly from farmers or local governments, and local cooperative stores should do the purchasing for provincial governments.

25X1

25X1

STATE	NAVY	NSRB	DISTRIBUTION	CONFIDENTIAL
ARMY	AIR	FBI	CONFIDENTIAL	CONFIDENTIAL

This document is hereby regraded as CONFIDENTIAL in accordance with the order of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Document No. 3
No Change in Class.
 Declassified
Class. Changed To: TS SC
Auth.: HR 76-2
2008-08-11

25X1

CONFIDENTIAL

25X1A

25X1

CONFIDENTIAL
CHINESE INTELLIGENCE AGENCY

- 2 -

d. Industrial circles should acquire large quantities of cloth, salt, and fertilizers to be sold to the farmers.

6. Communist authorities in Canton have borrowed ninety billion Jen Min Piao from the South Central branch office of the Bank of China for purchasing large quantities of food stuffs. On 1 August the Provincial Food Stuff Company began collecting food stuffs and storing them in warehouses on the south side of Canton. The Kwangtung branch office of the Native Products Company has shipped 2700 tons of fertilizer to various districts during this period in exchange for food stuffs.

25X1A

* [redacted] Comment. For other dealings of the Nan Kuang Trading Company in Macao, [redacted]

** [redacted] Comment. For information on LIANG Ch'ang's activities in Macao, [redacted]

25X1A

CONFIDENTIAL

CONFIDENTIAL

25X1